

Second Regular Session
Seventy-third General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 22-0846.01 Yelana Love x2295

HOUSE BILL 22-1305

HOUSE SPONSORSHIP

Caraveo and Gray,

SENATE SPONSORSHIP

(None),

House Committees
Finance

Senate Committees

A BILL FOR AN ACT

101 CONCERNING A TEMPORARY REDUCTION OF THE PREMIUM AN
102 EMPLOYER MUST PAY FOR EACH OF ITS EMPLOYEES FOR THE
103 PURPOSES OF THE "PAID FAMILY AND MEDICAL LEAVE
104 INSURANCE ACT".

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

The bill reduces the premium paid by employers for the state's paid family and medical leave program, starting January 1, 2023, through June 30, 2023, from nine-tenths of 1% of wages per employee to eighty-one

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

hundredths of 1% of wages per employee.

The bill requires the state treasurer to transfer \$57.5 million from the general fund to the family and medical leave insurance fund.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 hereby finds and declares that:

4 (a) Few Coloradans can afford to take unpaid leave from work to
5 address medical or family needs. For this reason, Colorado voters
6 approved a measure in 2020 to advance Coloradans' economic security by
7 approving a program to provide all Colorado employees up to twelve
8 weeks of paid family and medical leave to use in the employee's time of
9 need.

10 (b) The paid family and medical leave insurance program, referred
11 to as the "program", which is financed through small payroll premiums
12 paid by most Colorado employers and employees, will allow businesses
13 to support and retain employees when the employees are in need of paid
14 family and medical leave to stay safe, seek necessary medical treatment,
15 and provide care to loved ones at critical times;

16 (c) The program will provide benefits to both employees and
17 employers, with premium collection beginning January 1, 2023, and
18 benefits beginning January 1, 2024;

19 (d) The global pandemic has caused tremendous strain on the
20 health and economic stability of families and businesses. Many businesses
21 are still struggling to remain open, while also trying to absorb rising
22 business costs resulting from pandemic-induced hardships such as the
23 need to reduce hours and staffing, the loss of revenue, and global supply
24 chain issues.

1 (e) The health and stability of hardworking Coloradans and
2 Colorado businesses are reciprocal, and both will be well served through
3 the program;

4 (f) In recognition of the current challenges facing both
5 hardworking Coloradans and Colorado businesses, the critical importance
6 of paid family and medical leave to Coloradans, and the unique
7 opportunity Colorado has to contribute a down payment to the success of
8 the program, this act temporarily reduces premium fees owed to the
9 program prior to the launch of program benefits on January 1, 2024; and

10 (g) The state will contribute money from the general fund directly
11 to the family and medical leave insurance fund to supplement the
12 reduction in premiums created by this act.

13 **SECTION 2.** In Colorado Revised Statutes, 8-13.3-507, **amend**
14 (3)(a); and **add** (3)(c) as follows:

15 **8-13.3-507. Premiums - general fund transfer - repeal.**

16 (3) (a) From January 1, 2023, THROUGH JUNE 30, 2023, THE PREMIUM
17 AMOUNT IS EIGHTY-ONE HUNDREDTHS OF ONE PERCENT OF WAGES PER
18 EMPLOYEE. FROM JULY 1, 2023, through December 31, 2024, the premium
19 amount is nine-tenths of one percent of wages per employee.

20 (c) (I) ON JULY 1, 2023, THE STATE TREASURER SHALL TRANSFER
21 THE LESSER OF FIFTY-SEVEN MILLION FIVE HUNDRED THOUSAND DOLLARS
22 OR AN AMOUNT EQUAL TO NINE AND NINE-TENTHS PERCENT OF THE TOTAL
23 PREMIUM REVENUE RECEIVED BY THE DIVISION FROM JANUARY 1, 2023, TO
24 JUNE 30, 2023, FROM THE GENERAL FUND TO THE FAMILY AND MEDICAL
25 LEAVE INSURANCE FUND.

26 (II) THIS SUBSECTION (3)(c) IS REPEALED, EFFECTIVE JULY 1, 2024.

27 **SECTION 3. Act subject to petition - effective date.** This act

1 takes effect at 12:01 a.m. on the day following the expiration of the
2 ninety-day period after final adjournment of the general assembly; except
3 that, if a referendum petition is filed pursuant to section 1 (3) of article V
4 of the state constitution against this act or an item, section, or part of this
5 act within such period, then the act, item, section, or part will not take
6 effect unless approved by the people at the general election to be held in
7 November 2022 and, in such case, will take effect on the date of the
8 official declaration of the vote thereon by the governor.